



**SCORPION  
MINERALS**  
LIMITED

ASX ANNOUNCEMENT

15<sup>th</sup> January 2020

## Pharos Gold and Base Metal Project Update

### HIGHLIGHTS

- Review continues to identify highly prospective target areas for gold and base metals
- Native title objection over E20/948 withdrawn, Heritage Agreement and Deed of Assumption finalised awaiting final signing
- E20/948 expected to proceed to grant imminently
- Company to undertake field reconnaissance late January and plan for drilling of priority targets at the earliest opportunity

#### BOARD OF DIRECTORS

Ms Bronwyn Barnes  
*Non-Executive Director*

Mr Craig Hall  
*Non-Executive Director*

Ms Carol New  
*Non-Executive Director,  
Joint Company Secretary*

Ms Kate Stoney  
*Joint Company Secretary*

**Scorpion Minerals Limited (the Company; ASX:SCN)** is pleased to update the market in relation to its Option to Acquire 100% of two exploration tenement applications (E20/948 and E20/953 - together the Pharos Project) from Element 25 (**ASX:E25**) (refer ASX:SCN release dated 7<sup>th</sup> November 2019 "Option to Acquire Gold and Base Metal Projects at Mt Mulcahy").

This initial release noted several significant historical gold intercepts from Rotary Air Blast (RAB) drilling undertaken by previous companies on the applications, including the following intersections from the Lantern prospect on E20/948:

- **12 m @ 7.40 g/t Au from 44 m, including 2 m @ 42.4 g/t Au**
- **16 m @ 3.09 g/t Au from 0 m, including 2 m @ 16.8 g/t Au**

The two tenement applications cover 384 km<sup>2</sup>, and are contiguous with 58 km<sup>2</sup> of granted SCN tenure (E20/931), which contains the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit, a zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of **647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag** (refer PUN:ASX release 25 September 2014 and Table 1, also Figures 1, 2 &3) at the 'South Limb Pod' (SLP).

As previously announced, E25 has advised SCN that finalisation of a heritage agreement for E20/948 is imminent, and the tenement is expected to progress to grant shortly, as agents for the Native Title Party have this week advised the National Native Title Tribunal that the parties have entered into an agreement in relation to the tenement and requested the withdrawal of its expedited procedure objection application, which the tribunal then withdrew on 14<sup>th</sup> January 2020.

#### SCORPION MINERALS LIMITED

ABN 40 115 535 030  
24 Mumford Place  
Balcatta WA 6021

T: +61 8 6241 1877  
F: +61 8 6241 1811

[www.scorpionminerals.com.au](http://www.scorpionminerals.com.au)

E25 has further advised this week that the Native Title Party is in the process of executing the Exploration and Heritage Agreement for E20/948, as well as a Deed of Assignment, Assumption and Consent (DOAAC) for all parties which has been signed by Scorpion. In anticipation of imminent access to the tenement, ground reconnaissance at advanced targets on E20/948 is planned for late January, along with early drilling of targets in the Lantern area after grant, heritage clearance and program of work (PoW) approval is received.

The Company has initially focussed efforts on the Lantern and Candle area and surrounds, where early limited RAB drilling was oriented across what the Company's geologists believe are controlling NW-trending structures. This historic drilling intersected significant shallow oxide gold mineralisation however subsequent detailed follow-up drill traverses were oriented parallel to the trend and failed to adequately test the likely mineralisation trend (refer Figures 3, 4). The Company intends to test these NW-trending structures with RC drilling coverage into the primary zone at the earliest opportunity.

Additional compilation of mapping in this area has strongly supported this new interpretation, with early work completed for North Flinders Mines Limited in 1974<sup>1</sup> on an outcropping prospect (then called 'Yellon Mill') 2km west of Lantern (1km SW of Candle) highlighting a dominant NW trend of brecciation and associated gossanous material, which was considered geochemical anomalous for base metals but not assayed for gold. Oxidised pyritic black shales and pyritic cherts outcrop elsewhere in the sequence and were also thought to represent further zones of mineralisation potential.

Two holes at Yellon Mill were proposed at the time but subsequently not drilled. The area remains undrilled, with little or no follow-up. The Company have renamed this prospect Beacon, being the only obvious zone of subcrop/outcrop in the vicinity, with shallow (typically <5m) cover and alluvial sheetwash prevalent through much of the area out past Lantern and Candle (refer interpreted geology, Figure 4). This appears to have masked the effectiveness of any historic geochemistry, and potentially hiding repetitions of mineralised structures within the underlying host rocks.

The Company is now planning to map and sample this prospect to gain an understanding of structural controls on mineralisation from the geological setting in order to effectively plan drilling at Lantern, Candle and potentially Beacon as soon as is practicable.

The Company is also encouraged by drill logging of quartz dolerite during aircore drilling completed by Newcrest in 1999<sup>2</sup> in the vicinity of Lantern and Candle (refer Figure 4), which is an important host for gold mineralisation in other Western Australian goldfields, particularly at Kalgoorlie.

### **General Discussion of Mineral Potential of Pharos Project**

The Pharos Project tenements are considered prospective for a number of gold mineralisation types including:

1. Shear zone hosted lode style mineralisation hosted in mafic, ultramafic and felsic volcanics
2. Banded Iron hosted "Hill 50" style replacement deposits
3. High grade quartz vein "Day Dawn" style mineralisation hosted within dolerite and basalt
4. Felsic porphyry hosted quartz stockwork and ladder vein mineralisation

---

<sup>1</sup> WAMEX report a5419

<sup>2</sup> WAMEX report a59755

Planned systematic exploration will focus on interpreted structural controls for primarily gold mineralisation associated with NNW trending splay structures off the Big Bell Shear (refer Figure 2), a major regional structure associated with significant gold endowment, including the 5Moz Big Bell gold deposit (refer Figure 1). The Company believes that significant potential for new gold and base metal deposits exist within the expanded project area.

The stratigraphic sequence to the west of and adjacent to the Big Bell shear contains all the above rock types and systematic exploration has not been undertaken historically where the NW-NNW trending splays off the Big Bell shear intersect these lithologies (refer Figure 2). Previous explorers have noted repeated observation of sericite-chlorite-carbonate alteration and pyrite-arsenopyrite mineralisation associated with gold mineralisation, which the Company believes indicative of large Archean gold hydrothermal systems.

Planned future exploration includes:

1. Reprocessing of existing air magnetics and completion of a regional geologic interpretation
2. Detailed geological mapping of selected target areas.
3. Systematic auger soils geochemical sampling of the project initially focusing on high priority targets.
4. Follow up RC drilling of historic drill intercepts at Candle, Lantern, Mustang Sally, Ulysses and Laterite Hill.

The Company plans a separate release discussing the geology and mineral potential of the Ulysses prospect on E20/953 at a later date, after additional compilation and interpretation.

- ENDS -

***Enquiries:***

**Craig Hall**  
**Non-Executive Director**  
**T: +61 8 6241 1877**

**Table 1: Current Mineral Resource Estimate, Mt Mulcahy Project**

(refer ASX release 25/9/2014 "Maiden Copper - Zinc Resource at Mt Mulcahy", which also contains a list of significant drill intersections for the deposit)

<b>Mt Mulcahy South Limb Pod Mineral Resource Estimate</b>											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	193,000	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	372,000	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	82,000	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
<b>TOTAL</b>	<b>647,000</b>	<b>2.4</b>	<b>1.8</b>	<b>0.1</b>	<b>20</b>	<b>0.2</b>	<b>15,200</b>	<b>11,800</b>	<b>610</b>	<b>415,000</b>	<b>4,000</b>

**Competent Persons Statement 1**

*The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.*

*The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.*

**Forward Looking Statements**

*Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Ltd, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.*

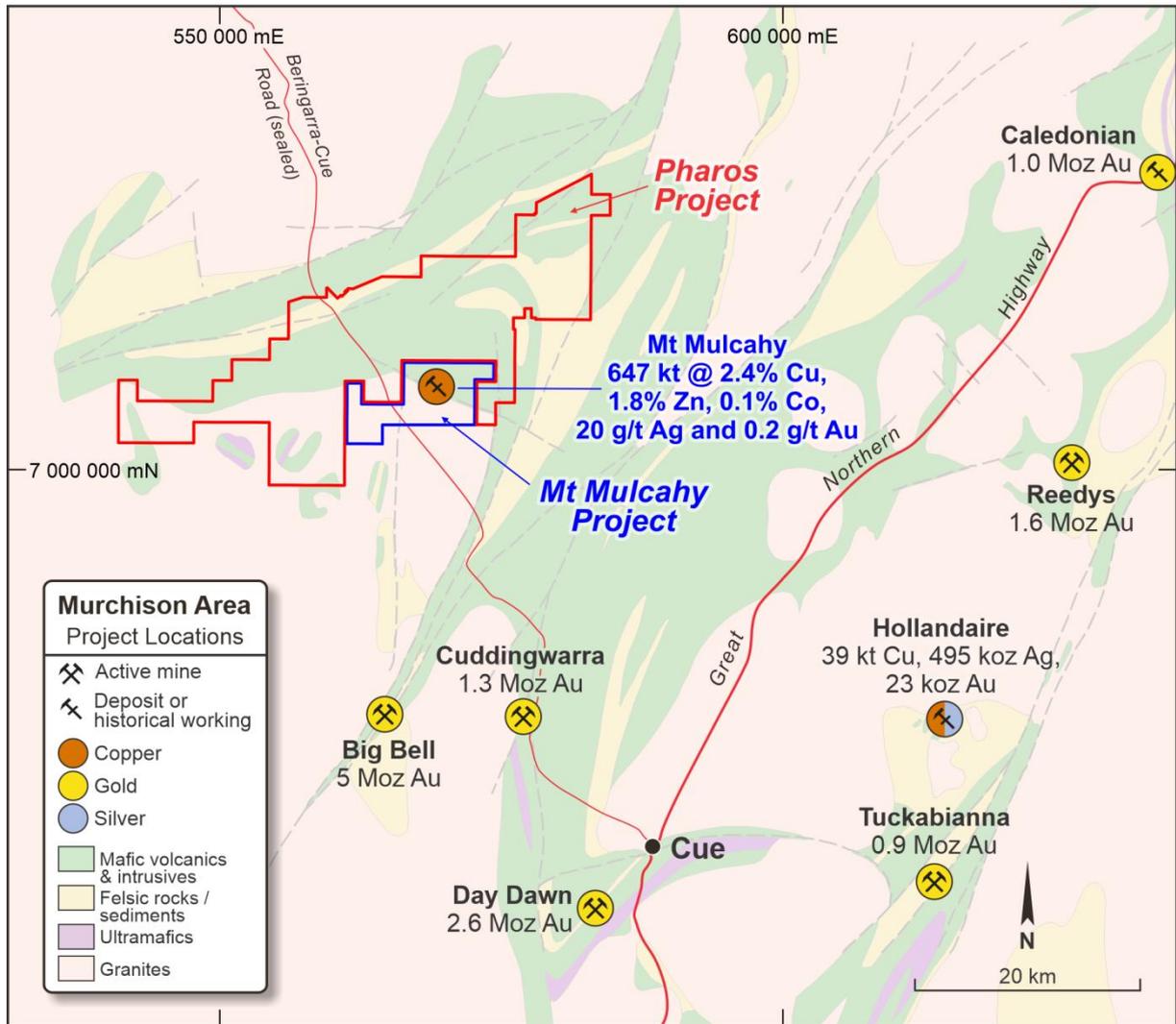


Figure 1 – Location of Mt Mulcahy Project and Regional Resources in Murchison area, WA

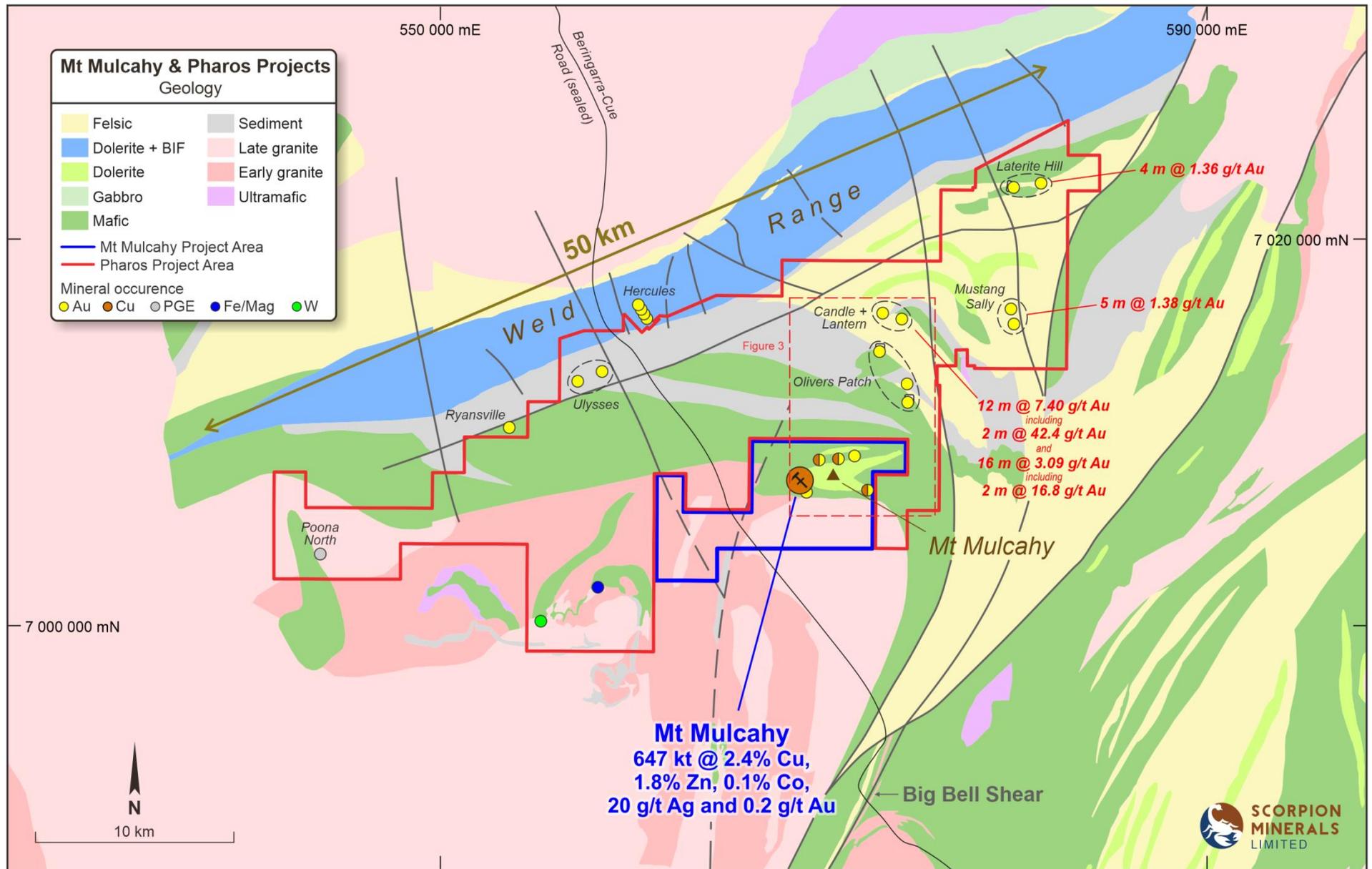


Figure 2 – Location of Pharos Project in relation to Mt Mulcahy, with known mineral occurrences and drilling highlights (refer ASX:SCN release 7/11/2019)

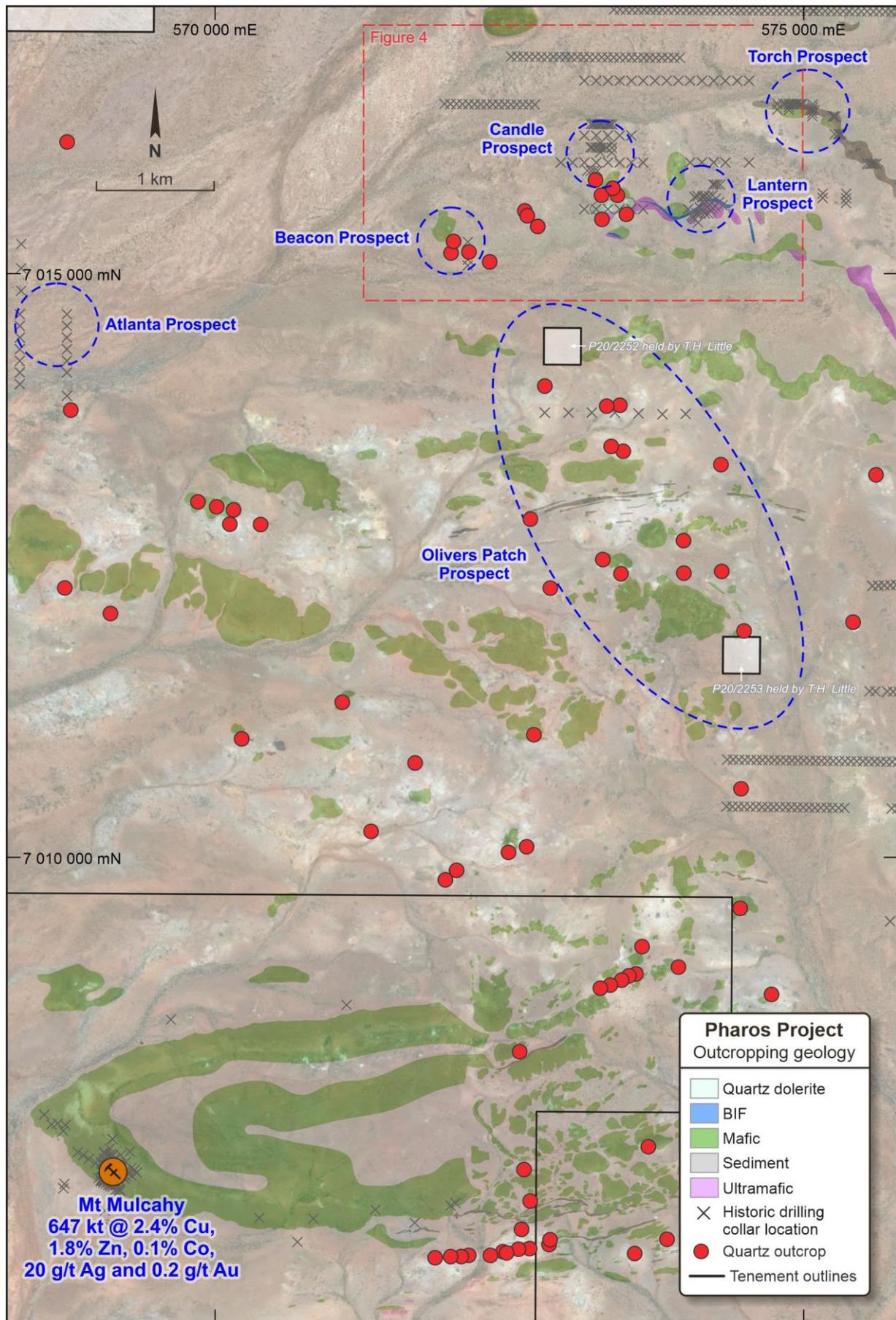


Figure 3 – Location of Advanced Prospects in relation to Mt Mulcahy, with Figure 4 inset

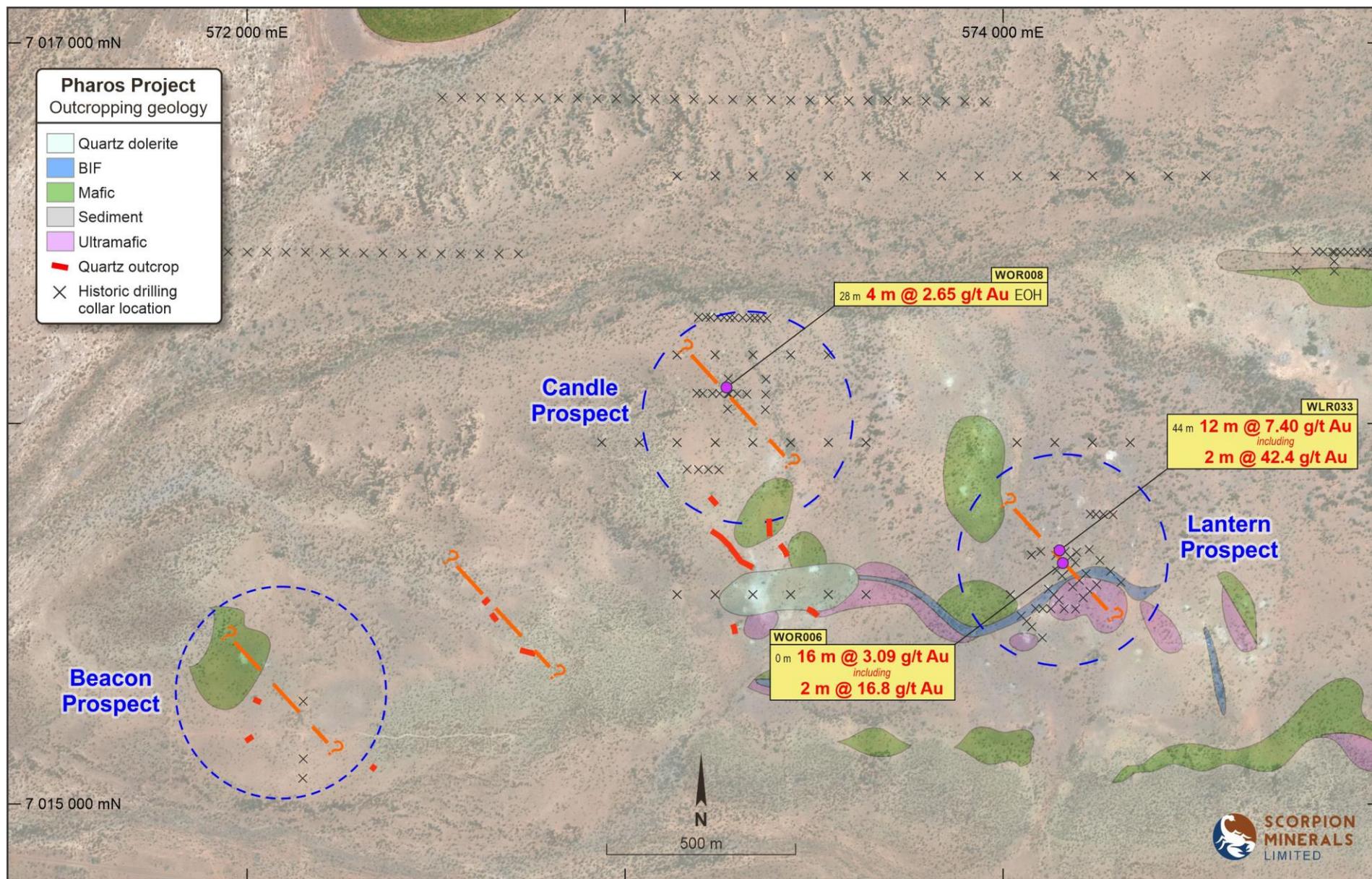


Figure 4 – Lantern and Candle Prospects showing Significant Historic Drilling Results, with geology after Newcrest 1999. Interpreted NW trend in orange

## JORC CODE, 2012 EDITION – TABLE 1 REPORT TEMPLATE

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li><b>North Flinders Mines Limited</b>, 1974, WAMEX report a5419, references 1300 soils samples taken at a depth of 10cm, contour map available only. 17 Ironstone/Gossan rockchip samples, assayed for Cu, Pb, Zn, Mn, Ag. Method not discussed.</li> <li><b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As by method B/AAS, 1m re-splits taken and assayed when anomalous.</li> <li><b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling, samples collected as 4m composites and sent to ALS for assaying of Au by method PM209, 50g fire assay with AAS finish.</li> <li><b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As, by unknown method, 1m re-splits taken when Au &gt;0.01 ppm.</li> <li><b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, Aircore (AC) drilling, samples collected as 4m or 5m composites and sent to AMDEL for assaying of Au by method AA9, Aqua Regia digest and for Cu, Pb, Zn, As, Ni, Co and Sb by method IC9, ICP and Aqua Regia digest</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li><b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling, no further details</li> <li><b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling, no further details</li> <li><b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling completed by Geotechnical Drilling Engineers using a Gemco H13 drill rig with 150 psi and 750 cfm air capacity</li> <li><b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling, AC drilling completed by Prodrill of Kalgoorlie using an Edison drill rig with 350psi and 600cfm air capacity</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of</li> </ul>	<ul style="list-style-type: none"> <li><b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling, <ul style="list-style-type: none"> <li>Not recorded</li> <li>Not recorded</li> <li>Not known</li> </ul> </li> <li><b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling, <ul style="list-style-type: none"> <li>Not recorded</li> <li>Not recorded</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>fine/coarse material.</i></p>	<ul style="list-style-type: none"> <li>• Not known</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling</li> <li>• Not recorded</li> <li>• Not recorded</li> <li>• Not known</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling,</li> <li>• Not recorded</li> <li>• Not recorded</li> <li>• Not known</li> </ul>
<p><i>Logging</i></p>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• While logged to a level of geological detail; drill method is inappropriate to support studies</li> <li>• Quantitative, not supported by photography</li> <li>• All relevant intersections logged</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• While logged to a level of geological detail; drill method is inappropriate to support studies</li> <li>• Quantitative, not supported by photography</li> <li>• All relevant intersections logged</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling</li> <li>• While logged to a level of geological detail; drill method is inappropriate to support studies</li> <li>• Quantitative, not supported by photography</li> <li>• All relevant intersections logged</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling,</li> <li>• While logged to a level of geological detail; drill method is inappropriate to support studies</li> <li>• Quantitative, not supported by photography</li> <li>• All relevant intersections logged</li> </ul>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• Non-core, generally sampled dry</li> <li>• Qualitative only</li> <li>• Not known</li> <li>• Not known</li> <li>• Not known</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• Non-core, generally sampled dry</li> <li>• Qualitative only</li> <li>• Not known</li> <li>• Not known</li> <li>• Not known</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling</li> <li>• Non-core, generally sampled dry</li> <li>• Qualitative only</li> <li>• Not known</li> <li>• Not known</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• Not known</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling,</li> <li>• Non-core, generally sampled dry</li> <li>• Qualitative only</li> <li>• Not known</li> <li>• Not known</li> <li>• Not known</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>North Flinders Mines Limited</b>, 1974, WAMEX report a5419, references 1300 soils samples taken at a depth of 10cm, contour map available only. 17 Ironstone/Gossan rockchip samples, assayed for Cu, Pb, Zn, Mn, Ag. Method not discussed.</li> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As by method B/AAS, 1m re-splits taken and assayed when anomalous.</li> <li>• Appropriate for shallow geochemical drilling, B/AAS is an Aqua Regia technique and generally considered a partial extraction technique, although suitable for oxide material.</li> <li>• N/A</li> <li>• Nature of client-side QC not known, levels of accuracy not established</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling, samples collected as 4m composites and sent to ALS for assaying of Au by method PM209, 50g fire assay with AAS finish. Cu Pb, Zn, As also reported by method G001(As Method G003)</li> <li>• More than appropriate for shallow geochemical drilling, PM209 is an Fire Assay technique and considered a total extraction technique.</li> <li>• N/A</li> <li>• Nature of client-side QC not known, levels of accuracy not established</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling, samples collected as 4m composites and sent to GENALYSIS for assaying of Au and As, by unknown method, 1m re-splits taken when Au &gt;0.01 ppm.</li> <li>• Not known, gold detection specified to 5ppb, suggesting a sophisticated technique.</li> <li>• N/A</li> <li>• Levels of accuracy not established</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, Aircore drilling, samples collected as 4m or 5m composites and sent to AMDEL for assaying of Au by method AA9, Aqua Regia digest and for Cu, Pb, Zn, As, NI, Co and Sb by method IC9, ICP and Aqua Regia digest</li> <li>• Appropriate for shallow geochemical drilling, AA9 is an Aqua Regia technique and generally considered a partial extraction technique, although suitable for oxide material.</li> <li>• N/A</li> <li>• Nature of client-side QC not known, levels of accuracy not established</li> </ul>
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• Not known</li> <li>• NA</li> <li>• Not known, retrieved from WAMEX</li> <li>• NA.</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• Not known</li> <li>• NA</li> <li>• Not known, retrieved from WAMEX</li> <li>• NA.</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• Not known</li> <li>• NA</li> <li>• Not known, retrieved from WAMEX</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• Not known</li> <li>• NA</li> <li>• Not known, retrieved from WAMEX</li> <li>• NA.</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• Not known</li> <li>• Not specified, originally local</li> <li>• None</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• Not known</li> <li>• Not specified</li> <li>• None</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• Not known</li> <li>• AMG AGD84</li> <li>• None</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• Not known</li> <li>• AMG AGD84</li> <li>• None</li> </ul>
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• RAB drilling, NA</li> <li>• NA</li> <li>• Samples originally composited, no further data compositing</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• RAB drilling, NA</li> <li>• NA</li> <li>• Samples originally composited, no further data compositing</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• RAB drilling, NA</li> <li>• NA</li> <li>• Samples originally composited, no further data compositing</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• AC drilling, NA</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• NA</li> <li>• Samples originally composited, no further data compositing</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• Not Known</li> <li>• Not Known</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• Not Known</li> <li>• Not Known</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• Not Known</li> <li>• Not Known</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• Not Known</li> <li>• Not Known</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• Not Known</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• Not Known</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• Not Known</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• Not Known</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Guardian Resources NL</b>, 1992, WAMEX report a37370, RAB drilling,</li> <li>• NA</li> <li>• <b>Hampton Hill Mining NL</b>, 1994, WAMEX report a45300, RAB drilling,</li> <li>• NA</li> <li>• <b>Equinox Resources NL</b>, 1994, WAMEX report a 43716, RAB drilling,</li> <li>• NA</li> <li>• <b>Newcrest Operations Limited</b>, 1999, WAMEX report a59755, AC drilling</li> <li>• NA</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• ELA Applications E20/948 and E20/953 (Yallon and Sunday Well) are exploration licence applications in the name of ASX listed Element 25 (ASXE25). They are both subject to Exploration and Heritage Agreement between The Weld Range Wajarri Yamatji and the tenement holder being signed before progressing to grant. Details surrounding the option to purchase both tenements by Scorpion Minerals is listed in ASX:SCN announcement dated 7<sup>th</sup> November 2019. announcement.</li> <li>• No known impediments other than listed above should impede progression to grant</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Initially North Flinders Mines, then primarily Guardian Resources NL, and Equinox Resources between 1991 and 1995, and after that later Hampton Hill Mining NL undertook geological mapping, airborne and ground magnetic surveys, soil sampling, rock chip and RAB, Vacuum and Aircore drilling. MIM entered the area searching for VHMS base metals and shear related gold, successfully outlining a coherent 3km long &gt;20ppb Au in saprolite anomaly at Ulysses East with RAB, Aircore and RC drilling, but withdrew in 1997. Newcrest Operations Limited then entered the area, completing additional RAB drilling and a 438.5 m diamond core hole at Ulysses East., and extending that anomaly to 4.5km in length, and drilling additional anomalism at Oliver 's Patch, at the Candle prospect.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<p>The company is targeting:</p> <ul style="list-style-type: none"> <li>• Shear-hosted lode-style mineralisation within mafic, ultramafic and felsic volcanics</li> <li>• Banded Iron Formation (BIF) hosted "Hill 50" style replacement deposits</li> <li>• High grade quartz vein "Day Dawn" style mineralisation hosted within dolerite and basalt</li> <li>• Felsic porphyry-hosted quartz stockwork and ladder vein mineralisation</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Refer to list of drillhole intercepts, Table 1: Material Historical Results. ASX:SCN announcement dated 7<sup>th</sup> November 2019.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> <li>● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>● NA</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>● The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>● Assays have been length weighted for calculation of intercepts, no top cut has been applied, lower cut is 0.2 g/t Au</li> <li>● The company has listed internal intervals &gt;2m&gt;10g/t for emphasis</li> <li>● NA</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>● These relationships are particularly important in the reporting of Exploration Results.</li> <li>● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>● Intercept lengths are downhole lengths</li> <li>● Not known</li> <li>● Downhole lengths, true width not known</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>● Refer to maps included in this report</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>● The report and Table 1 list low and high grade intervals to provide balanced reporting</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>● Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>● More detailed geological review will follow in subsequent report</li> </ul>
Further work	<ul style="list-style-type: none"> <li>● The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> </ul>	<ul style="list-style-type: none"> <li>● Discussed in this report</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>NA</li> </ul>